

SOCIAL AND ETHICS COMMITTEE

**SUZANNE ACKERMAN-BERMAN |
CHAIRMAN OF THE SOCIAL AND ETHICS COMMITTEE**

Members: Alex Mathole, Lorato Phalatse*, David Robins#

* resigned during the 2019 financial period

appointed during the 2019 financial period



The committee's objective is to ensure that high ethical standards are applied in all areas of the business, and to review and approve the policy, strategy and structure for managing the social issues in the Group in accordance with our long-standing principle that "doing good is good business".

THE ROLE OF THE COMMITTEE AND WHAT THE COMMITTEE FOCUSED ON DURING THE YEAR

The social and ethics committee operates in accordance with the requirements of the Companies Act and King IV and is governed by a Board-approved charter, which is reviewed and approved annually by the Board.

Guidelines for the committee include the anti-corruption principles of the Organisation for Economic Co-operation and Development (OECD), the Employment Equity Act, as well as elements of the Johannesburg Stock Exchange Socially Responsible Index criteria and the Broad-Based Black Economic Empowerment Act.

The committee met three times during the period to review performance in the following areas, as required by the Companies Act:

- Animal practices
- Anti-corruption practices
- Consumer safety
- Employee welfare and relations
- Ethical business practice
- Legislative compliance
- Responsible sourcing
- Social and environmental responsibility
- Transformation

The committee monitored the Group's activities in relation to relevant policies, legislation and regulation and best practice in corporate governance.

Among other issues, the meetings dealt with key topics such as the plastics and packaging reduction programme, updates to the anti-bribery and corruption (ABC) policy and the gifts policy, updates to the whistleblowing policy, risks arising from use of email and the internet as well as cyber-crime, and measures taken to ensure that the company respects the intellectual property of suppliers and prospective suppliers. The status of the national water supply, and specifically water supply in the Western Cape, continued to be monitored.

The committee confirms that no material issues were identified during the period. In accordance with its charter, the committee effectively discharged its statutory duties and responsibilities over the period.

COMMITTEE MEMBERSHIP

The resignation of Lorato Phalatse, an independent non-executive director, on 31 August 2018 led to an adjustment of membership, with a non-executive director being appointed to take the position with effect from 11 February 2019. As at the end of the 2019 financial period, the committee members include an executive director and two non-executive directors, as well as the Company Secretary, executives responsible for strategy and human resources, senior management and technical experts on areas of mandate. All levels and areas of expertise across the Group are represented on the committee. Additional advisers attend meetings by invitation, depending on agenda items to be discussed.

Suzanne Ackerman-Berman

Chairman: Social and ethics committee
21 June 2019